

MEMORANDUM FOR: Craig

Attached are copies of Bruce's draft memo on NIC/NFAC relationships and a memo that Dick Lehman coincidentally had chartered me to do at the same time, not realizing that your memo was in the works.

I have annotated your memo with specific suggestions from Dick Lehman, Hal Ford, and me.

We have circulated both your and my memos to all the NIOs, receiving specific comments on them from only NIO/SP and NIO/WE (copy also attached). NIO/SP took the opposite point of view from that of NIO/WE: he liked your draft better than mine, feeling that mine perhaps implies a greater problem than in fact exists.

I'll await further word from you as to where we go next. Will be glad to help if you think a "marriage" of the two papers is desirable or feasible.

STAT

Date 7 July 80

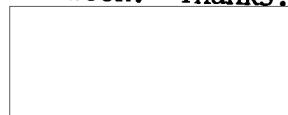
FORM 101 USE PREVIOUS  
5-75 EDITIONS

**MEMORANDUM FOR:** All NIOs, Assistant NIOs

The top attachment is the draft of the memo defining NFAC-NIC relationships that Bruce Clarke mentioned at this morning's NFAC staff meeting. The second attachment is a draft addressing related subjects that Dick Lehman had commissioned me to do at about the same time--without our realizing that the first memo was in the works.

Please review both and give me any comments or suggested changes you have by Tuesday 1 July; we plan to forward revised versions of both drafts to D/NFAC by mid-week. Thanks....

✓ SP  
✓ WE



**Date** 27 June 80

FORM 101 USE PREVIOUS EDITIONS

STAT

~~SECRET~~

**NATIONAL FOREIGN ASSESSMENT CENTER**

WASHINGTON, D. C. 20505

Director

25 June 1980

MEMORANDUM FOR: All NFAC Office Directors  
All NFAC Staff Chiefs  
Chairman, National Intelligence Council

SUBJECT: Relationships Among NFAC Components and the NIC

1. It is important that NFAC components and the National Intelligence Council (including its Analytic Group) work efficiently and effectively together. Because there is extensive overlap in substantive areas, it seems to me useful to try to lay out some general operating guidelines. The attached draft memorandum undertakes to do that briefly, without spelling out details in every instance.

2. I would appreciate your review of this proposed memorandum, your comments on it, and your proposals for additions or deletions.

3. Please send your comments in writing to  by COB Friday, 27 June.

Bruce C. Clarke, Jr.

Attachment  
Draft memo

*NIO/SP: - 1st paper better; more concise  
- 2nd paper: implies a quality problem than may exist  
- both papers fail mention major milestones to be achieved by AG*

~~SECRET~~

DRAFT 24 Jun 80

SUBJECT: Relationships Among NFAC Components and the National Intelligence Council

1. Now that the National Intelligence Council (NIC) has been formed and the NIC Analytic Group is in operation, it is appropriate to spell out what I see as the desirable division of responsibility between the NIC and the various production components of NFAC, as well as the operating procedures necessary to make NFAC/NIC operations as efficient and friction-free as possible. Some of what follows repeats guidance already issued, but is included to describe the overall relationship.

25X1

2. Generically, finished production that may involve the NIC and one or more NFAC offices falls into six general categories:

- a. Community products - NIEs, SNIEs, IIM, Alert Memoranda, and joint projects (two or more NFIB agencies) initiated under NFIB auspices.
- b. Ad hoc products - papers and/or briefings generated by immediate policy-support requirements, whether in response to specific requests or self-generated.
- c. NFAC planned production - CIA papers (IAs, IMs, RPs) that are part of the research plan.
- d. Current intelligence - articles for NFAC's two daily products, the PDB and the NID.

SECRET

e. Serial publications - periodicals on specific geographic or functional areas.

f. Review of covert action proposals.

25X1

### Community Products

3. The primary mission of the NIC Analytic Group (NIC/AG) is the drafting of papers meant for interagency coordination as part of the NIE/IIM production program. ~~Such papers are normally drafted by a member of the NIC/AG.~~ <sup>As the NIC/AG grows to its planned strength of [ ] officers,</sup> AG members are also responsible for revising <sup>it will draft an increasing proportion of such papers; some will continue to be drafted by others including officers from other agencies.</sup> ~~the interagency papers~~ <sup>(they draft)</sup> throughout the coordination process, under the guidance of the NIO chairing the paper, and preparing them for final publication. [ ] 25X1

4. A single NIO has overall responsibility for each Community product. Where two or more NIOs have an interest in a given product, the NIO who has been assigned that responsibility is expected to reconcile any competing views within the NIC on content, substance, or procedures. Any major differences normally are resolved by the Chairman of the NIC. [ ] 25X1

5. A single NFAC officer from a line office is named NFAC representative for each Community product. When a single line office clearly has the bulk of the interest in a given project, the NIO asks that office to name the representative as soon as the concept paper has been approved and issued. When two or more offices have interest of more or less equal weight, the NIO refers the choice of the NFAC

SECRET

SECRET

representative to D/NFAC for decision in consultation with the appropriate Office Directors. The NFAC representative ensures that CIA views—DDO as well as NFAC—are fully and fairly considered throughout the coordination process and prepares a brief report to D/NFAC when the agreed draft is ready for his final review. [redacted]

25X1

#### Ad Hoc Products

6. Ad hoc products of all kinds normally are the responsibility of the line production offices—singly or jointly. Where several offices are involved, the responsibility for pulling the office contributions together into a single, coherent product will be assigned to a single office—except that on Presidential briefings D/NFAC may choose to assign that function to one of the NIOs. [redacted]

25X1

7. NIC/AG members may be assigned to draft ad hoc products ~~managed by NIOs~~ but not at the cost of delaying interagency papers or planned production assigned to the NIC/AG. [redacted]

25X1

#### Planned Production

8. Obviously, the primary responsibility rests with the component(s) identified in the production plan. The ~~Chairman~~ <sup>(Chairman, NIC)</sup> may schedule some papers for NIC/AG production that are not intended to be interagency products. These should be relatively few in number—given the need for a comprehensive program of interagency papers—and distinguished by their broad coverage, ~~and~~ <sup>(and limited dissemination.)</sup> estimative character, [redacted]

25X1

#### Current Intelligence

9. The line offices are the primary source of drafts of current intelligence articles, although NIOs may propose articles drafted by

SECRET

SECRET

them. The day-to-day operating norm is for drafts to originate in the line and be coordinated by the line, with OCO to perform an initiating, editorial, and processing function. ~~Drafts should be coordinated with NFAC and made available to NIOs for their review and comment to the degree permitted by 25X1 time constraints.~~ ~~Drafts will be coordinated with NIOs as appropriate.~~ ~~Coordination~~ <sup>(and NIO review)</sup> should be accomplished promptly and must not be allowed to interfere with the timeliness of the product. In all current intelligence reporting, the needs of the PDB have priority.

#### Serial Production

10. Serials are line office products and the editorial standards of the publishing office will apply. Cross-office contributions are desirable, as are jointly authored articles. Any contributions from an NIO or a member of the NIC/AG are welcomed. The serials are a valuable adjunct to efforts by NFAC management to afford opportunity to less experienced analysts to develop writing skills. In addition, the serials enable the originating component to reach a specialized audience and to communicate provocative ideas.

25X1

#### Review of Covert Action Proposals

11. DDO covert action proposals are sent to D/NFAC for review. D/NFAC assigns action to one individual. Coordination of the response is held to the minimum number of officers necessary to ensure careful review, and the responding memorandum lists all NFAC officers who reviewed the proposal. File copies of proposals and NFAC comments are retained only by the Office of the Director, NFAC.

25X1

#### Coordination

12. All NIOs and NFAC components are responsible for ensuring that appropriate coordination has been effected. Most items produced by the

SECRET

SECRET

line offices are relevant to the work of at least one NIO and one or more other NFAC offices. Many involve DDO equities as well. NIC products are by definition the concern of NFAC offices and often of the DDO as well. The purpose of coordination is to ensure that substantive agreement has been sought—and obtained—or that substantive differences are expressed. It does not mean that each coordinating office is free to impose its own concepts of editorial style on the overall content or a paper. Nor should coordination entail lengthy publication delays. If a paper has been delivered to another component for coordination and no response has been received by the time comments are due, publication should proceed.

25X1

#### Action Assignments

13. Action responsibility should normally be assigned to the component(s) that will do the bulk of the work. Where two or more components clearly will be called on for major inputs, action may be assigned jointly and component managers will be responsible for ensuring that the product is produced cooperatively. In cases where action has been misassigned—that is, the component tasked will not in fact be carrying out the burden of the work involved—action responsibility will be transferred. The component agreeing to accept responsibility will inform the EA/DD/NFAC of the change.

25X1

#### In Sum

14. Obviously these guidelines must be applied flexibly. On occasion, an individual who is uniquely qualified to draft a given product

SECRET



SECRET

is assigned to the task even though outside the component "normally" responsible. At other times, the distribution of workload requires some shifting of burdens to those least harried by the press of events. Nonetheless, the guidelines above are what I see as most desirable to obtain my ends—a quality product, produced in a timely fashion, with minimum diversion of resources into time-wasting bureaucratic snarls.

25X1

Bruce C. Clarke, Jr.

- 6 -

SECRET

SECRET

(d-r-a-f-t)

26 June 1980

MEMORANDUM FOR: All NFAC Production Office Directors  
All NIOs  
Chairman, National Intelligence Council

FROM : Bruce C. Clarke, Jr.  
Director, NFAC

SUBJECT : The NIO-NFAC Office Director Relationship

1. The close working relationship between NIOs and NFAC Office Directors is of critical importance in NFAC's ability to meet its intelligence production responsibilities. The keystone of that relationship is the principle that NIOs are primarily responsible for interagency production and Office Directors primarily responsible for NFAC products. In practice, of course, a neat division of labor is impossible. Office Directors and their resources properly have a large say in formulating much of what eventually emerges as "national intelligence," and because of their wide-ranging responsibilities in the intelligence production and policy review processes, NIOs have important equities in what "NFAC products" have to say.

2. In the larger sense, then, NIOs and NFAC Office Directors share a degree of responsibility for all our products. Their interactive relationship and shared functions inevitably invite and engender tensions between them, but whether these turn out to be constructive or destructive depends largely on the degree to which everyone involved uses tact, common sense, and forbearance. Neither you nor I can successfully accomplish our objectives unless the destructive kinds of tensions can be kept to a minimum or converted into constructive ones. One way to help may be to describe as best we can where the responsibilities and

25X1

SECRET

-2-

prerogatives of NIOs and Office Directors differ and where they overlap. It is important to note, however, that it is impossible to define in precise terms what amounts to a set of constantly evolving and shifting roles and relationships or to draw up ironclad rules as to whom does what in which circumstances. We can and should, on the other hand, be able to derive some general guidelines for resolving jurisdictional disputes and avoiding some misunderstandings.

3. Ever since DCI Colby established the NIO system in 1973, each NIO has been the senior substantive adviser in his or her field to the DCI, the DDCI, and, more recently, the DD/NFA. On the practical level, this makes the NIO the DCI's chief adviser for--and often his stand-in at--substantive discussions in various policy councils (e.g., PRC and SCC meetings, etc.), Presidential and Congressional briefings, and meetings with various US and foreign dignitaries. In such contacts, the NIO must be able to cloak himself with the DCI's authority when speaking to a substantive point or making a recommendation. This authority plus his own substantive expertise in turn equip the NIO to play the second of his major roles, that of "ambassador plenipotentiary" to the policy world--and specifically to the customers of NFAC and NIC products. In this capacity, the NIO should be dealing on a daily basis with his opposite numbers on the NSC staff, State's policy bureaus, Defense's ISA, Treasury, and so on; he should be accepted by them as the DCI's surrogate. And these ties with the policy community help the NIO discharge his third related responsibility--that of manager or his own microcosmic intelligence community. In this role, he serves as

SECRET

-3-

the bridge across disciplines and specialties within the Agency and across agencies, and he serves as key link among producers, consumers, and collectors. He must maintain these connections in good repair in order to perform efficiently as chief adviser for his area.

4. Within NFAC, the NIO's role is an advisory rather than a command one. I do, of course, look to the NIOs for leadership and for thoughtful guidance on all substantive and intelligence production issues, but decision-making authority on NFAC matters rests with my Office and Staff chiefs in the first instance and with me in the last. The demarcation line between an NIO's and an Office Director's turf is clearest when the <sup>primary audience for?</sup> ultimate recipients of a particular product or participants in an intelligence process are seen to be predominantly "national" or predominantly "departmental" in character; the NIO controls the former, the Office Director the latter. Thus the NIO's authority and responsibility for what goes into an interagency product are second only to those of the DCI, but the Office Director, I, and in certain cases the DCI or DDCI exercise similar powers with regard to an NFAC product. For both kinds of products, however, constructive criticism, additional information, or alternative views from all quarters should not only be welcome but also should be actively sought to the degree that time permits. When disagreements over questions of interpretation or emphasis arise, as they inevitably will, efforts should be made to "talk them out," refer them to third parties for an independent opinion, or publish both views in the same document.

5. The production of current intelligence poses special problems that require us to consider them separately. Here NIOs and Office Dir-

SECRET

-4-

ectors have roughly equal interests at stake. Most current intelligence assessments are "national," either with respect to the procedures by which they are produced (i.e., the National Intelligence Daily), or by virtue of the very high level of their <sup>principal</sup> readers, the President's Daily Brief being, of course, the prime example. The NIOs have only a minor role in producing these "national intelligence" products, and the basic responsibility for their accuracy, relevance, and timeliness belongs to the NFAC Office Directors, who manage the resources by which nearly all formal current intelligence is produced. This is a natural and necessary arrangement, the NIOs and the resources they control being relatively few in number and therefore unable to take on the current intelligence production task in addition to the others they are charged with. In effect, then, the DCI, DDCI, and I have delegated the basic responsibility for current intelligence to the NFAC Office Directors, even though this is far from a blank check. I must look over the shoulders of the current intelligence producers; so, too, do the DCI and DDCI, and I am sure that they want the NIOs to do likewise. Thus I believe that the primary role of the NIO in the current intelligence field should be to review drafts with an eye toward catching egregious <sup>1</sup> factual or judgmental errors or abrupt variations from concurrent agreed-upon interagency assessments. Matters of nuance and style should be left to the producers. All this is not to say that NIOs should not participate in the current intelligence production process; when they have the time and interest to provide written drafts, I would wholeheartedly encourage them to do so.

6. There are other areas where a conflict of interest can easily occur between NIO and Office Director. Perhaps a bit of illumination

SECRET

-5-

will help to limit such occurrences.

(a) In providing short-term policy support and review to the DCI, and NIO will sometimes have to call on NFAC analysts to produce quick assessments, thereby occasionally playing hob with planned assignments and requiring Office Directors to do considerable backing and filling to repair the staffing holes left in the wake. This is regrettable, but Office Directors must realize that on occasion we will have no choice. For their part, NIOs should work hard to avoid tying up key analysts for lengthy periods of time unless the offices concerned are able to spare them.

(b) Despite the creation of the National Intelligence Council and the ongoing buildup of its own staff of estimates officers, NIOs will continue to need good, strong NFAC analysts on occasion to draft or participate in drafting estimative products. As the NIC Analytic Group grows and prospers, the frequency with which NFAC resources will need to be tapped to write estimates will decline, but there will always be some instances in which the best drafter for a particular paper will be found in NFAC. The estimative product is sufficiently important that it will be in the interest of us all to cooperate to the maximum possible degree in these instances so that the paper gets done by the best person available.

(c) While the NIO must, as the DCI's alter ego, have the leading role in developing close working relationships with the consumers and other producers of intelligence, this should by no means inhibit NFAC officers all the way up and down the line from cultivating close contacts with their counterparts and customers. But it is incumbent on both the NIO and the NFAC officers involved to keep each other apprised of these contacts to the degree possible and to pass along to each other any

SECRET

-6-

information derived from such contacts that will enable others to do a better job.

(d) Because of volume and time constraints, it is usually easier for NIO products to get the full treatment in coordination <sup>(within NFAC)</sup> than for NFAC office products to be coordinated in depth with NIOs. The principle of full review of all intelligence issuances by all the interested parties should stand, but we must be sensible about where to draw the line in actual practice. It makes sense, for instance, that the NIO intervene in the very short-fused PDB and NID processes only on issues of fundamental importance to him. Likewise, it makes sense that an NFAC office vet with the appropriate NIO even an informal typescript memo if that memo is addressed to a policy officer or contains estimative judgments or policy implications.

7. Finally, let me merely reiterate the eternal verity offered at the outset and emphasized throughout this memorandum: NFAC, NFAC's masters, and all of us will benefit to the degree that NIOs and NFAC Office Directors cooperate, communicate, explore substantive differences in an objective and constructive way, and use good sense in working with each other.

/s/